

## **2005 Nebraska SHSGP guidance bulletin #1**

**27 January 2005**

**RE:               Equipment Insurance**

**TO:               County Emergency Managers**  
**County Elected Officials**

**FROM:           NEMA State Administrative Agency**

During Nebraska's 2004 Nebraska Association of County Officials annual meeting in December, the question came up regarding the insuring of equipment purchased with homeland grant funds. A federal auditor, who was in attendance, informed the County officials that the entity paying for the equipment was responsible for the equipment; this included buying the insurance. This was a point of discussion among those in attendance. Knowing that many of the counties are purchasing the equipment for the first responder organizations, and then issuing it out on hand receipts, the equipment is no longer on the county inventory.

NEMA forwarded the question to the Federal grant manager responsible for our State and asked for clarification and guidance. The following was received and should be used as guidance as all local entities go forward with the 2005 application process.

From the Federal standpoint, the county is/was the direct recipient of the sub-grant. Therefore, they are responsible for the procured equipment. They should have had some sort of tracking system in place to be able to identify where all the equipment had been delivered or to whom it had been given to. If anything was going to be insured, it should have been done (by the county) at the time the equipment was either purchased or delivered. Now, if a specific entity was the direct recipient of actual funding, then they would be responsible for attaining the insurance, themselves.

However, when it's all said and done, reference should be made to your states procurement regulations. For future purposes, the county may want to initiate agreements with potential recipient entities at the local level, **up front**, as a condition of actually receiving any of the equipment from the county. This may eliminate any confusion on anyone's part. The county can also figure insurance cost (estimates) into their budgets when procuring the equipment, if they want. Again, ultimately, the responsibility is on the direct recipient of the funding, who may not necessarily be the one directly/specifically benefiting from that funding.

For specific questions and or clarification to this information, please contact Mardell Hergenrader, at 402-471-7413 or by email at [Mardell.hergenrader@nema.state.ne.us](mailto:Mardell.hergenrader@nema.state.ne.us) .